

## African perspectives on corruption

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## **JOURNAL OF CONTEMPORARY AFRICAN STUDIES: SPECIAL ISSUE**

### **African Perspectives on Corruption**

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### **Introduction**

In July 2016, Fred Hendricks approached Crain Soudien, the CEO of the Human Sciences Research Council (HSRC) about the possibility of jointly hosting a Colloquium on *African Perspectives on Global Corruption* with JCAS. Soudien was intrigued by the idea and requested a concept note, to be submitted via one of the divisions of the HSRC, viz. The Africa Institute of South Africa (AISA). The Colloquium was thus jointly organised by the HSRC and JCAS and held in Johannesburg in February 2017, bringing together scholars, anti-corruption activists as well as government officials. Cobus de Swardt, Managing Director of Transparency International, and David Lewis, Executive Director of Corruption Watch, were joined by Thandika Mkandawire, Michael Chege, Steven Friedman, Godwin Murunga and a host of other scholars in exploring the changing meanings of global corruption from an African perspective.

Recognizing the widespread nature of various forms of corruption across the world, it has also been very clear that the many initiatives and interventions specifically intended to address corruption at local, national and international levels have failed. In general, the evidence shows that corruption is growing (Kar and Freitas 2012). Yet, perspectives on global corruption tend to see it as primarily playing itself out on the African continent and a preponderance of intellectual inquiry into the causes and effects of corruption is focused exclusively on Africa.

While not downplaying the extent of corruption on the continent itself, recent work shows that corruption in Africa does not take place in a vacuum and is linked in complex ways to global actors. A landmark report commissioned by the African Union Commission and the United Nations Economic Commission for Africa (2015) describes how a complex global infrastructure facilitates illicit outflows of financial resources from the continent. The report estimates that illicit financial outflows from Africa had increased from about \$20 billion in 2001 to \$60 billion in 2010. The report

acknowledges that this is likely a significant underestimate, in part because it is limited to trade misinvoicing data, does not take into account tax avoidance by multinational corporations, and does not have information on a large subset of criminal activities, such as illegal mining operations. Nevertheless, the findings are consistent with state of the art research in this area (Kar 2013; Ndikumana, Boyce, and Ndiaye 2015), which finds that:

1. Africa is a net creditor to the world: international financial outflows are considerably higher than the continent's external debt, and at least equal to all official development assistance
2. International financial outflows from the continent are increasing over time
3. Oil exporting countries tend to top the list of African net creditors to the world

Increasing opacity and complexity in financial markets have in turn made it difficult to map the destination and ultimate beneficiaries of illicit financial outflows from Africa. These forms of private wealth, which are not recorded in national statistics, are held in offshore financial centres. Estimates of private wealth held in secrecy jurisdictions, or tax havens, range from \$6.7 trillion in 2008 by the Boston Consulting Group to \$11.5 trillion in 2005 by the Tax Justice Network (cited in Ndikumana 2015). Secrecy jurisdictions not only facilitate, but plausibly benefit from illicit financial outflows, even if the owners of private wealth remain obscure, covered by a veil of secrecy and almost impossible to identify. Considered this way, the recently developed Financial Secrecy Index indicates that the world's major economies, including those of the United States and the United Kingdom, may be some of the greatest beneficiaries of illicit financial outflows (Tax Justice Network 2013; see also Garcia-Bernardo et al. 2017). Separately, a recent report by Interpol (2018) finds that the financial proceeds from environmental crime – which includes fuel smuggling, illicit mining of precious metals and resources, and wildlife smuggling – largely flow from Africa and South America to the United States, Canada, Western Europe and East Asia.

Taken together, this body of work brings to light the dominant role of industrialised economies in global illicit flows. It reveals a geography of illicit financial activity which contradicts high-profile 'expert' opinion surveys of corruption that overwhelmingly locate the locus of corruption in the global South (Transparency International 2018).

Reflecting on the geographies of finance, Sidaway and Pryke (2000, 187) observe that the conceptual landscape in which post-colonial economies are theorized “belies deeper continuities with colonial geographical imaginations” characterized by a rhetoric of exoticization, violence and eroticism. The artful deployment of conceptual ambiguity and uncertainty allows for this rhetoric to disregard or retrofit the empirical realities of these economies to suit a particular set of interests. In this regard, the family of concepts associated with ‘corruption’ has come to be almost uniquely identified with the global South, and Africa in particular, such that it is something of a truism to claim that Africa suffers from “endemic corruption”. The racialization of the term is perhaps best evident in

one of the oldest-running and extensive handbooks on corruption, *Political Corruption: Concepts and Contexts*, which characterizes apartheid South Africa as a tale of two administrations: a white administration under which, “corruption was exceptional rather than normal” and black homelands which were “particularly affected by grand corruption of a patrimonial kind”, such that the advent of black majority rule under democracy was likely to lead to an increase in corruption (Heidenheimer and Johnston 2007, 376) Needless to say, less partisan investigative research into the apartheid regime has uncovered large-scale and systematic corruption by the white government (van Vuuren 2017).

Some of the articles in this Special Issue come from the Colloquium jointly hosted by JCAS and the HSRC on *African Perspectives on Global Corruption*, which invited reactions to Mkandawire’s (2015) article, “Neopatrimonialism and the Political Economy of Economic Performance in Africa: Critical Reflections”. In this profoundly insightful piece, Mkandawire takes on much of the dominant discourse in economics and political science on the supposed drivers of corruption in Africa and the associated negative relationship with economic outcomes. Neopatrimonialism rests on a view of African politics as dominated by “big men”, who are motivated primarily by personal greed and ambition. In their single-minded pursuit to accumulate as much possible, they mobilise ethnic affiliations and develop patronage networks that lead to predatory states and ineluctable economic decline. Yet as Mkandawire’s empirical analysis shows, this view can neither explain heterogeneity in political arrangements, nor predict variability in economic outcomes. Its dominance in scholarly and popular discourses of the continent rests, instead, on crude ethnographic stereotypes which confirm the racist view that beneath “the veneer of modernity flaunted by local elites lurked a world of irrational belief, superstition, and a primordial sense of selective interest”, characterized by “tropical lasciviousness, excessive conviviality, ostentatiousness, and sexual appetite.” (Mkandawire 2015, 566, 572) Since, from this perspective, patronage ineluctably seeps into electoral politics, African citizens cannot be trusted to vote intelligently. As a result, the neopatrimonial school tends to seek political arrangements that can circumnavigate democratic politics, particularly in the form of bureaucratic authoritarianism or external agents of restraint, such as donors and non-governmental organisations. Against this, Mkandawire insists on an approach that recognises the importance of democratic politics, and of the critical role that ideas, interests and structures play in shaping African societies.

The articles in this issue set out to test the limits of current scholarship on corruption and open up new routes in which academic discussion of corruption could develop. First, they seek to clarify the intellectual history and theoretical underpinnings of scholarship on corruption in Africa. By doing so, they engage in much-needed conceptual rethinking, clearing the space to reconsider African intellectual traditions that were swept aside in the post-adjustment era. Second, they develop empirically-rooted conceptualisations of corruption that include examples from both domestic and foreign private sector actors. These conceptualisations depart from the common-sense definition of corruption as a purely public sector problem (Heidenheimer and Johnston 2007), and open up new

empirical lines of investigation into the role of donors, non-governmental organisations, international corporations, and scientific industries. Third, and related to this, they draw attention to the interplay between internal and external factors in shaping the nature and meaning of corruption in contemporary African societies, all the while stressing the critical role of the public and the state in interaction with the private.

The Special Issue opens with a wide-ranging interview with Thandika Mkandawire. The interview functions as both a postscript to his article on neopatrimonialism, as a well as an important frame for the Special Issue. In it, Mkandawire outlines the historical genesis of neopatrimonial thought, which he locates partly in the transition from the externalist tradition of the dependency school and the black existentialist tradition exemplified by Fanon. These African intellectual traditions lost much of their credence under the twin onslaught of economic crisis and structural adjustment. In their place, internalist explanations of African dynamics arose – the materialism of the public choice approach and the culturalism of the neopatrimonial school. Yet if public choice theorists completely elided the role of culture, then neopatrimonial thinkers focused solely on culture as a homogenous and ahistorical entity; both accounts, however, tended to treat African societies as largely self-contained and untouched by external dynamics. The ongoing appeal of these internalist explanations for African scholars, Mkandawire argues, is in part a function of the disempowerment of African democracies, which have been reduced to caretaker states without representative oversight over key elements of the economy. Faced with what he calls “choiceless democracies”, the “great intellectual challenge for Africa is how to create democratic developmental states that can address the material needs of citizens in ways that are socially inclusive”. In grappling with this intellectual challenge, he cautions against easy acceptance of claims to universalism, and draws our attention to the need to have a balanced view of the role of internal and external factors when examining the political economy dynamics of African societies, all the while emphasizing the necessity for evidence-based local analyses which eschew the cavalier use of racist stereotypes.

The first article, by William G. Martin, “Lessons of the Northern War on African Corruption” takes up Mkandawire’s challenge to pay attention to the role of ideas. The article provides an intellectual genealogy of scholarship on corruption in Africa, which traces the complex and shifting normative attitudes towards the phenomenon. In the immediate post-independence period, the consequences of corruption were viewed as potentially beneficial by northern development scholars, while African scholars focused largely on corruption as symptomatic of an emergent comprador class. By the end of the twentieth century, however, attitudes towards corruption had begun to reflect a more deterministic mindset: that the continent was mired in postcolonial despair, tribalism and the politics of the belly (Bayart 1993). When married to a form of methodological provincialism, which viewed Africa as hermetically sealed and ahistorical, this potent combination gave rise to neopatrimonialism. This intellectual lineage, Martin argues, is ill-served to grasp an evolving world, in which the twin processes of financialisation and the emergence of a multi-polar order generate new forms of unequal

exchange and the hidden exploitation that accompanies them. As we move from North-South to East-South modes of global accumulation, he contends, there is a need to develop new conceptual frameworks and “bypass the remnants of a dying hegemony and its self-deceptions and conceptual deceits.”

This argument is reinforced by Steven Friedman, in his contribution, “The ‘Science’ of Superiority: Africa and Scholarly Colonial Assumptions”. His key argument is that “neopatrimonialism” belongs to a constellation of concepts that are hegemonic in mainstream academic and public debate, including the notion of “democratic consolidation” and the “failed states” discourse. These concepts contain no explanatory power beyond an important glimpse into the prejudices of those who develop them. Yet, they have come to have an extraordinary hold on public debate in Africa. This is in part explained by their power to articulate moral censure of contemporary politics. One of their key products, he observes, is the too-easy recourse to inadequate leadership to explain problems on the continent. This casts light on an important trade-off: the hegemonic status of these concepts imbues them with strong normative power, but using them comes at the cost of obscuring inquiry and understanding. As a consequence, “a critique of all these terms is an essential foundation to a scholarship which seeks to understand power and its effect in Africa, not simply to replicate its assumptions”.

Two articles in this issue indicate the possible contours such a critique might take. In “Primordialism versus instrumentalism in Somali society: Is an alternative needed?” Mohamed Husein Gaas provides an empirical analysis of the concept of clanship, which is central to work on corruption and conflict in Somalia. Drawing on extensive interviews and participant observation with male elders, women and intellectuals from across Somalia, the article examines the extent to which the assumptions underpinning the dominant models of the clan system are consistent with the empirical evidence. Haas finds that the primordialist conceptualisation of the clan system as an enduring and detrimental organisational principle overlooks the “spatiotemporal context in which this system operates and from which it draws meaning.” Yet the instrumentalist view that elites manipulate clanship to further their ends does not capture the bidirectional character of clanship manipulation. In place of these models, Haas offers an alternative understanding of Somali society and its clan system based on the notion of “clan dynamism and its bidirectional manipulation, where it serves as a highly adaptive framework of governance, and a network of solidarity.” Such an analysis provides potential theoretical tools for reconsidering the historicity and bidirectionality of neopatrimonial networks more generally.

Firoz Kahn indicates a different form of critique in his article, “Neopatrimonialism and corruption: Towards a new common sense”, which focuses on the interplay between external and internal factors in shaping both the phenomenon and discourse of corruption. Kahn suggests that the emergence of corruption as a large-scale phenomenon is tied to the increasing deregulation and globalisation of capital flows. The dominant discourse of corruption in Africa, however, acts to obscure this historical

process, and instead demonises local political elites. Insofar as it has taken on the appearance of common sense, this discourse constrains effective domestic responses to the causes underlying the phenomenon of corruption. In its place, Kahn argues for a new common sense, which is theoretically grounded and proceeds from a “historical political economy perspective that locates corruption in the nexus of capital accumulation and state formation.”

The empirical study by Liam Riley and Emmanuel Chilanga, “‘Things are Not Working Now’: Poverty, Food Insecurity and Perceptions of Corruption in Urban Malawi” responds to Martin’s invocation “to discern how and where struggles over corruption erupt, how they are constructed, and whom they serve”. The study explores the ways in which peri-urban residents of Lilongwe explained their growing food insecurity in terms of Cashgate, a high profile scandal in which high-ranking bureaucrats were found to have diverted funds of over \$30 million from the national treasury through trade misinvoicing and capital flight. Prior to the corruption scandal, food prices had already increased dramatically due to a number of factors, including the IMF compelling the government to devalue its currency by 50%, historic flooding followed by drought, and an export-orientated policy which had largely neglected domestic food security. Nevertheless, respondents overwhelmingly attributed food insecurity to the Cashgate scandal and accordingly punished the incumbent party in the following elections. The authors argue that this attribution was shorthand for a critique of the underlying political economy of food security in Malawi. It demonstrates that a political economic crisis can mark time in popular consciousness in a similar way that periods of hunger marked popular memory of past events. Yet such time marking appeared to be ambiguous: respondents located the harm of Cashgate in its consequences, rather than in the actual theft of the money, insofar as they identified Cashgate with a decline in macroeconomic fortunes, and believed that the ensuing crack-down restricted wealthy Malawians’ conspicuous consumption, thereby reducing employment opportunities and remittances.

In “The Zuma Moment: Between Tender Based Capitalists and Radical Economic Transformation”, Ashwin Desai extends this discourse analysis, tracing contestations over the meanings and root causes of corruption in South Africa under Jacob Zuma’s administration. One set of concepts – that of state capture by private sector interests – was pitted against another set of concepts – the notion of corrupt white monopoly capital, radical economic transformation and the creation of a patriotic black bourgeoisie in concert with an emerging new economic order in the South. Desai’s analysis reveals the ways in which the discourse of corruption is not only a site for the struggle over resources and power, but is also fundamentally a terrain for the struggle over ideas. While this contestation of ideas has invoked inequality in a rhetorical fashion, he argues, it has failed to engage deeply with the causes and consequences of increasing inequality in South Africa.

Ali Bitenga Alexandre, in “Perception of corruption by traffic police and taxi drivers in Bukavu DR Congo: The limits of moral analysis” explicitly addresses the moralistic framing of corruption by northern NGOs and anti-corruption agencies. The empirical study explores the ways in which traffic

police and taxi drivers perceive corruption as a normal expression of solidarity and a way of coping with a weak state. This is tied to the fiscal capacity of the state: when the then Republic of Zaire became incapable of paying security forces, Mobutu Sese Seko issued Article 15, known as *débruillez-vous*, or “fend for yourselves”, which stipulated that security forces were to develop private strategies for survival, rather than being paid by the public purse. As such, this study provides an incisive example of Mkandawire’s observation that the central problem with many African states is that they are “undergoverned” (Mkandawire 2015, 582). As a consequence, Alexandre argues, framing corruption as a moral issue and seeking to eliminate it without strengthening the fiscal and administrative capacity of the state may result in more serious problems than the corruption itself.

In this regard, Moletsane Monyake provides a detailed empirical analysis of the potential determinants of public support for anti-corruption measures across Africa in his article, “Can the poor fight back? A multilevel analysis of corruption, poverty and collective demand for accountability in Africa”. Drawing on data from round six of the Afrobarometer surveys, which were conducted in 36 African countries between 2014 and 2016, Monyake finds that the experience of paying bribes is positively correlated with the perception among the poorest individuals that civic engagement is the best way to tackle corruption, where this correlation is statistically significant at the 0.1 level. This analysis provides evidence against the neopatrimonial view that impoverished African citizens are both unwilling and incapable of engaging in collective action to hold politicians accountable. As such, it strengthens the arguments against the anti-democratic and culturalist thrust of neopatrimonialism (Mkandawire 2015, 599).

Nimi Hoffmann’s article, “When are experiments corrupt?” seeks to move the terrain of debate away from an exclusive focus on civil servants and politicians, in order to examine the entanglements between profit, politics and experimentation. Between 2010 and 2011, foreign donors funded a randomized controlled trial in Kenya, which tested the effects of introducing private sector practices into public schooling: cutting teachers’ salaries and hiring them on short-term contracts. The intervention failed after sustained opposition from teacher unions and parent associations. The article critically revisits the narrative of how this experiment was designed, implemented and interpreted, finding evidence that the experiment violated empirical logic. It examines whether the theory of neopatrimonialism can explain the ways in which vested interests may have undermined the empirical logic of the experiment. Hoffmann finds that the appeal to neopatrimonialism obscures rather than clarifies the object of analysis. Nevertheless, the exercise is useful in two regards. First, using a northern-funded and designed experiment as a case study provides a clearly-bounded and concrete illustration of the limited explanatory power of neopatrimonialism. And second, examining its applicability to policy experiments helps clarify the conditions under which policy experiments in Africa may be anti-empirical.

On the whole, the journal contributions deepen and challenge our understanding of the way in which corruption manifests and is contested in African societies. Yet significant aspects of corruption



in Africa remain unaddressed. When considered against the available evidence, which indicates that illicit financial outflows from Africa have steadily increased over time, the historical dimensions of corruption are under-examined. A more historicised and comparative approach to corruption would seek to understand the fundamental political and economic causes of this increase. Related to this, too little is known about which entities are the main beneficiaries of these illicit financial outflows, and how these beneficiaries are positioned in changing domestic and transnational networks. This is in part a consequence of the sheer scale and complexity of such networks. Yet, as has recently been demonstrated in the context of the Panama Papers, adopting a social network analysis approach to this big data problem is useful for identifying both the intermediaries and ultimate destinations of offshore financial centres (Garcia-Bernardo et al. 2017). Finally, little attention has been paid to the evidence that corruption has a critical environmental dimension, insofar as increasingly scarce and vulnerable natural resources are at the epicentre of global illicit financial flows. As a consequence, the ways in which corruption shapes environmentally-driven conflict are poorly understood. At this historical juncture, investigating the intersection between corruption and the emergence of the Anthropocene seems to us to be an especially urgent and useful task if we are to meet Mkandawire's invocation, that "the great intellectual challenge for Africa is how to create democratic developmental states that can address the material needs of citizens in ways that are socially inclusive".

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